

19 December 1958

Director of Logistics
ATTN. : Chief, Procurement Division/OL

Assistant General Counsel

Extraordinary Contractual Authority under PL 85-804 and E.O. 10789.

1. Title II of the First War Powers Act of 1941 (50 U.S. Code App. Section 611) expired on 30 June 1958 after having been reactivated in the Korean emergency and extended on a year to year basis for a number of years. In its place as permanent legislation the 85th Congress enacted PL 85-804 which contains approximately the same authorities as were contained in Section 611. Both the old law and the new PL 85-804 provided that the President should specify which departments and agencies might take advantage of these statutes, and in carrying out this authority the President issued Executive Order 10210, February 2, 1951 with respect to Section 611 of the First War Powers Act, and Executive Order 10789, November 14, 1958 with respect to PL 85-804.

2. The Central Intelligence Agency was not one of the agencies authorized to utilize either the now expired Section 611 or the currently effective PL 85-804. The Deputy Comptroller has raised with the Deputy General Counsel the question as to whether Central Intelligence Agency should request the President to amend Executive Order 10789 by adding this Agency to the list of those authorized to use the authorities of PL 85-804.

3. It is requested that the Office of Logistics advise the Office of General Counsel of its view of this matter. It would be necessary for rather substantial benefits to be foreseen in order to justify the issuance of a new Executive Order by the President. A recommendation that such an attempt be made by the Office of General Counsel on behalf of the Agency should provide information and analysis which indicates an extraordinary need. The Industrial Contract Audit Branch may be able to contribute to such a justification.

4. Executive Order 10210 and Executive Order 10789 are reproduced in Vol. I of the OGC Government Contracts Reporter at pages 1907 and 1939 respectively. PL 85-804 may be found in the 1958 U.S. Code Congressional and Administrative News, pamphlet #15 dated September 20, 1958, at page 4382, and the legislative history for PL 85-804 is in the same pamphlet at page 4735. Both of these publications may be borrowed from my office if you desire.

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